

## Local Food Promotion Program (LFPP) Final Performance Report

The final performance report summarizes the outcome of your LFPP award objectives. As stated in the LFPP Terms and Conditions, you will not be eligible for future LFPP or Farmers Market Promotion Program grant funding unless all close-out procedures are completed, including satisfactory submission of this final performance report.

This final report will be made available to the public once it is approved by LFPP staff. Write the report in a way that promotes your project's accomplishments, as this document will serve as not only a learning tool, but a promotional tool to support local and regional food programs. Particularly, recipients are expected to provide both qualitative and quantitative results to convey the activities and accomplishments of the work.

The report is limited to 10 pages and is due **within 90 days** of the project's performance period end date, or sooner if the project is complete. Provide answers to each question, or answer "not applicable" where necessary. It is recommended that you email or fax your completed performance report to LFPP staff to avoid delays:

LFPP Phone: 202-720-2731; Email: [USDALFPPQuestions@ams.usda.gov](mailto:USDALFPPQuestions@ams.usda.gov); Fax: 202-720-0300

Should you need to mail your documents via hard copy, contact LFPP staff to obtain mailing instructions.

<b>Report Date Range:</b> <i>(e.g. September 30, 20XX-September 29, 20XX)</i>	9.30.2014-9.29.2015
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<b>Recipient Organization Name:</b>	FamilyFarmed
<b>Project Title as Stated on Grant Agreement:</b>	Good Food Business Accelerator Program
<b>Grant Agreement Number:</b> <i>(e.g. 14-LFPPX-XX-XXXX)</i>	14 LFPPX IL 0056
<b>Year Grant was Awarded:</b>	2014
<b>Project City/State:</b>	Chicago, IL
<b>Total Awarded Budget:</b>	99,673

LFPP staff may contact you to follow up for long-term success stories. Who may we contact?

- Same Authorized Representative listed above (check if applicable).  
 Different individual: Name: \_\_\_\_\_; Email: \_\_\_\_\_; Phone: \_\_\_\_\_

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1. State the goals/objectives of your project as outlined in the grant narrative and/or approved by LFPP staff. If the goals/objectives from the narrative have changed from the grant narrative, please highlight those changes (e.g. “new objective”, “new contact”, “new consultant”, etc.). You may add additional goals/objectives if necessary. For each item below, qualitatively discuss the progress made and indicate the impact on the community, if any.

i. **Goal/Objective 1: Assess participants’ market development, marketing, and technical assistance needs.**

a. Progress Made: The entirety of this work was conducted between November 2014-April 2015 and was reported in our mid-term report. That report stated: As of November 2014, GFBA Staff and advisors identified and invited 9 Fellows to participate in the 6-month GFBA program. Our onboarding process included site-visits and initial assessment interviews that reviewed Fellows’ businesses including: the physical space of the businesses (size, cleanliness, layout, equipment, location), finances (financial standing, previous financial statements, working capital, cash projections, current investor relationships, debts, and current sales), markets (target markets, distribution strategy, competitive position, sales promotion plans, current # of customers, revenue per customer, advertising, PR, and social media), management team (formal organization chart, management expertise), staff (number of employees, culture, staffing plan for growth), processes (documentation, efficiency, scalability), and a SWOT analysis. This provided the context that allowed us to identify the marketing, technical assistance, and market development needs of our cohort. In addition to the 9 Fellows in the 6-month program, we chose 11 additional businesses to provide assistance to. These were businesses that applied to our Good Food Financing Fair at the Good Food Financing & Innovation Conference March 20, 2015. These businesses underwent a similar but more limited initial assessment that focused solely on market development assistance.

b. Impact on Community: These initial assessments helped lay the groundwork for the program and the future success of the Fellows and their businesses. While this assessment work didn’t directly impact the larger community, it is the foundation for the businesses that will have positive impacts in the future.

ii. **Goal/Objective 2: Assist participants in completing personalized action plans for market development and technical assistance. Complete a shared curriculum plan.**

a. Progress Made: The entirety of this work was conducted between November 2014-May 2015. Using assessments conducted during our onboarding process and updated throughout the 6-month program, we identified new customers and markets that participants should target. These meetings translated into action plans for the 9 Fellows in the 6-month program, and every Fellow had a clear path to follow to continue growth after the program ended. Additionally, we designed and executed a shared Fellow curriculum beginning in December where we brought in expert topical speakers every Monday to present to the group of Fellows together. This curriculum concluded in May 2015 and was highly regarded by the program participants. Development also concluded in May 2015 with the 11 additional participants identified as part of the Good Food Financing & Innovation Conference, and they also had plans finalized for growth over the next few months.

b. Impact on Community: After going through this process, many of our Fellows made important changes in their strategic vision and how they perceived their business would effectively grow. This is an essential component of a business accelerator program, and while it does not directly impact the community it's essential for businesses to grow into businesses that impact their communities.

iii. **Goal/Objective 3: Assist participants in execution of their plans and execute on shared technical assistance curriculum plan.**

- a. Progress Made: Weekly curriculum sessions were conducted from December 2014-May 2015. These were planned in response to curriculum plans developed in November and December 2014 during the assessments mentioned above. Topics were chosen to address the needs of entrepreneurs seeking to scale up, and included information on business planning, new venture development, financial modeling, accepting investment, branding, packaging, and storytelling/pitching. Curriculum presenters included mentors and experts we connected with via our activities at 1871 in Chicago. An important component of the curriculum included market development, and presenters included representatives from Whole Foods Market and Treasure Island Foods. These sessions included one-on-one meetings with these large buyers and GFBA staff to determine next steps for market development activities. In addition to this, the networking opportunities that we provide at the Good Food Festival & Conference, an event we produce every March, helped connect businesses with investors, customers, and new markets.
- b. Impact on Community: Across the board our Fellows developed their businesses and grew. The impacts of this are clear in the quantitative data detailed below, but the anecdotal feedback we received has shown this to be true, too. The impact beyond the immediate participants in the program has been clear, too. Developing networks and establishing a community of like minded stakeholders will continue to build the local food system in the Chicago foodshed, and as this happens the economic impacts on the greater community should grow.

iv. **Goal/Objective 4: Evaluate project and conduct outreach based on results.**

a. Progress Made: Evaluation activities occurred weekly during the program to provide continual feedback on what Fellows needed additional assistance on and to influence future programming. At the conclusion of the 6-month program in May 2015, we undertook final evaluation activities consisting of debrief sessions with staff and stakeholders as well as electronic questionnaires to collect quantitative information. The results for the program were impressive, however, it was clear that the 10 additional participants engaged for the Good Food Financing & Innovation Conference were not as fully engaged in the program to the extent that the 9 Fellows of the GFBA were. We struggled with follow up communications and check-ins during the wrap up period of the program. However, the program was a clear success and had significant impacts on the businesses. All 9 Fellows responded to the final evaluation, whereas 7 of the 10 additional participants responded to some extent (not all fully answered the evaluation). Businesses in the GFBA experienced the most consistent increases in the metrics, and experienced on average a 62 percent increase in sales, a 107

percent increase in the number of customers, and a 68 percent increase in the number of employees. All evaluation activities have been concluded for LFPP.

b. Impact on Community: The evaluation activities will not impact the community, but will rather showcase how the GFBA program has impacted the community through the growth of participating businesses.

2. Quantify the overall impact of the project on the intended beneficiaries, if applicable, from the baseline date (the start of the award performance period, September 30, 2015). Include further explanation if necessary.

- i. Number of direct jobs created: 32.8
- ii. Number of jobs retained: 47.5
- iii. Number of indirect jobs created:

As a non-profit serving participants in our accelerator, we did not track direct jobs in the same way as other LFPP awardees. Direct jobs were those that our participants retained or created, and indirect would be those that their suppliers/service providers retained or created. Tracking indirect jobs from these populations was prohibitively difficult, and we focused instead on direct jobs.

- iv. Number of markets expanded:

Please note iv. and v. were combined in our original pre-assessments, per the original application, and v. below includes markets expanded.

- v. Number of new markets established: 360
- vi. Market sales increased by \$1,652,644 and increased by 45%.

Please note that not all businesses responded with sales totals, only percentage increases.

- vii. Number of farmers/producers that have benefited from the project: 59
  - a. Percent Increase: 195%

3. Did you expand your customer base by reaching new populations such as new ethnic groups, additional low income/low access populations, new businesses, etc.? If so, how?

Our program participants connected with many new businesses that have begun purchasing from them. These connections were developed through the Good Food Business Accelerator and FamilyFarmed's outreach to food industry representatives in the Chicago area. We continue to engage with communities across Chicago and the Midwest that would expand the reach of our participants and provide access for low income populations to more easily procure local, sustainable food.

4. Discuss your community partnerships.

a. Who are your community partners?

An important focus of FamilyFarmed's preparation for the first year of the Good Food Business Accelerator was creating a large network of mentors and advisors from the food community in the Midwest. These efforts continue to meet with success, and have resulted in a mentor network that currently has more than 120 stakeholders involved. Many of these partners include big name partners like Whole Foods Market, UNFI, Chipotle, the Small Business Administration, and 1871 -- a business incubator and office space that is recognized as "Chicago's center for innovation" and is where our accelerator program is located. All of these mentors have all participated in our programs at a deep level, including with financial assistance and direct mentoring of our 9 Fellows. Additionally, many of our mentors and advisors come from business leaders in the Midwest who have a vested interests in the success of the Good Food Business

Accelerator and have extensive knowledge of starting and leading sustainable, local food business. These experts have provided invaluable insight into the program and have directly increased our capacity to provide an effective and relevant program to our Fellows.

- b. How have they contributed to the overall results of the LFPP project?

Our mentor network has been instrumental in the success of the program and our Fellows. They form the backbone of our technical assistance program, and have provided hundreds of hours of their time to present at curriculum sessions, provided one-on-one assistance, and make the connections necessary to drive the Fellows' businesses forward. Our connections with the SBA have led many of our Fellows to seek funding through SBA loan programs, when they would not have before the 6-month program started. Of particular note is the dedication Whole Foods Market staff have made to the Fellows. Their staff members, Stefanie Garcia, Local Forager; Bobby Turner, Midwest Vice President of Purchasing; and Michael Bashaw, Midwest Regional President have met with Fellows and provided their guidance on gaining traction in Whole Foods Market stores. Their dedication to the program has helped many of our businesses enter Whole Foods Market stores, when they have struggled for months or years to have this opportunity. Lastly, our connections with financial institutions and investors have directly resulted in our Fellows receiving funding to help their businesses grow.

- c. How will they continue to contribute to your project's future activities, beyond the performance period of this LFPP grant?

Nearly all of the mentors that participated in the 2014-2015 Accelerator program have agreed to return for our second year of programming. This was an exciting development as we began our second year, though not unexpected. Additionally, many of the mentors that worked with our first class of Fellows continue to engage with them on a pro-bono basis. We continue to explore potential extensions to the Accelerator program that can provide mentor assistance beyond the 6-month GFBA program, and we look forward to engaging our mentors in this as funding and processes are confirmed. For the 2015-2016 GFBA year, our programming content will again be almost entirely dependent on our network of mentors. Already we have 8 out of 9 Super-Mentors confirmed for the coming class and our curriculum confirmed for the first two months of the program.

5. Are you using contractors to conduct the work? If so, how did their work contribute to the results of the LFPP project?

We had two key contractors that contributed to the program's success. The Programming Manager and Program Director at the Good Food Business Accelerator were both contractors. Our Programming Manager has been instrumental in every achievement our program has made since it began. Our Programming Manager actively guides and supports the program and works in tandem with FamilyFarmed staff to complete the goals and objectives identified in our application. The Program Director helped guide the program from a strategic perspective and helped build relationships with mentors and investors and community members to further the goals of our participants. He also managed and hosted all events.

6. Have you publicized any results yet?\* Yes

If yes, how did you publicize the results?

We have been fortunate to receive substantial coverage of the program over the past year, including:

News coverage on GFFC/GFBA includes: <http://www.chicagotribune.com/bluesky/originals/chi-good-food-festival-overview-psi-story.html>

News coverage on the GFBA: [Chicago Tribune](#), [Crain's Chicago Business](#), [Food + Tech Connect](#), [Streetwise](#), and [Fast Company](#).

Demo Day News: <http://www.chicagotribune.com/bluesky/originals/chi-good-foods-accelerator-demo-day-psi-20150429-story.html>

News on our Fellows:

dailyServing <http://goodfoodoneverytable.com/2015/02/02/dailyserving-functional-food-products-aim-at-a-healthy-conscious-but-in-a-hurry-society/>

Food Trace <http://www.chicagotribune.com/bluesky/originals/chi-foodtrace-riana-lynn-psi-story.html>

Kishr <http://www.chicagotribune.com/bluesky/originals/chi-rowida-assalimy-kishr-psi-20150319-story.html>

<http://goodfoodoneverytable.com/2015/04/23/good-food-accelerator-fellow-hopes-success-for-her-superfruit-brew-is-a-kishr-thing/>

Living Water Farms <http://goodfoodoneverytable.com/2015/01/14/illinois-living-waters-farms-hits-accelerator-to-expand-year-round-local-growing/>

Phoenix Bean This is from a Chinese news service: <http://video.sinovision.net/?id=27524&cid=124>  
<http://goodfoodoneverytable.com/2015/02/17/jenny-yangs-growing-tofu-business-is-an-immigrant-food-story-with-a-modern-twist/>

Urban Canopy <http://goodfoodoneverytable.com/2015/04/22/accelerator-fellow-urban-canopy-goes-upstairs-and-outside-to-promote-farming-in-chicago/>

Spark of the Heart <http://goodfoodoneverytable.com/2015/04/23/spark-of-the-heart-owners-rebound-from-recession-was-a-powerful-mix/>

Overall post about the Fellows: <http://goodfoodoneverytable.com/2014/12/11/good-food-business-accelerator-fellows-have-diverse-interests-but-one-goal-success/>

<http://goodfoodoneverytable.com/2015/04/09/good-food-business-accelerator-fellows-to-show-their-skills-at-april-27-demo-day/>

We also released preliminary final results in an eblast to our networks, on September 2, 2015, and it contained the following excerpts:

#### First year success!

Our first class of Fellows graduated in May 2015, and since then they've worked hard to grow their businesses. And they've succeeded! We're excited to announce for the first time, the preliminary results of the Good Food Business Accelerator.

#### Results

Our Fellows averaged:

- A 62% increase in sales!
- A 107% increase in customers!
- A 68% increase in employees!

In addition, our Fellows have raised over \$1.2 million in debt and equity financing, and are looking to raise over \$9.5 million over the next several months.

We're grateful for the hard work of our Fellows and the support of our mentors and advisors to make this happen!

To whom did you publicize the results? We released preliminary results on September 2, 2015 to our network of e-news subscribers.

How many stakeholders (i.e. people, entities) did you reach? Our release of the preliminary results were sent to our e-news subscribers totaling 12,175 people.

\*Send any publicity information (brochures, announcements, newsletters, etc.) electronically along with this report. Non-electronic promotional items should be digitally photographed and emailed with this report (do not send the actual item).

7. Have you collected any feedback from your community and additional stakeholders about your work?
  - a. If so, how did you collect the information? We conducted debriefs in May and June 2015 with our Super-Mentors, Steering Committee, and a small group of investors. Information was collected during meetings organized and hosted by the the Good Food Business Accelerator. Minutes and notes of feedback were taken during these meetings. This information was later reviewed during the GFBA staff debrief, and if deemed appropriate, suggestions were incorporated into the program's upcoming year's program and processes.
  - b. What feedback was relayed (specific comments)?

**Super-Mentors:**

- Super-Mentors and Fellows should have some type of retreat to get to know each other and start the program with a better understanding of expectations and goals.
- Super-Mentors need more daily assistance from GFBA staff to review Fellows' progress on their goals and project plans.

**Steering Committee:**

- The Steering Committee understood they played a role in establishing a discipline in reporting ongoing progress of Fellows, but did not feel they were in a position to make a significant contribution to individual companies.
- All of the business that participated in the GFBA were helped, but it's unclear what constitutes a true success.

8. Budget Summary:

- a. As part of the LFPP closeout procedures, you are required to submit the SF-425 (Final Federal Financial Report). Check here if you have completed the SF-425 and are submitting it with this report:   
(report was submitted previously)
- b. Did the project generate any income?

- i. If yes, how much was generated and how was it used to further the objectives of the award? No

9. Lessons Learned:

Summarize any lessons learned. They should draw on positive experiences (e.g. good ideas that improved project efficiency or saved money) and negative experiences (e.g. what did not go well and what needs to be changed).

During the first year of the program, we learned a number of things that have challenged our assumptions about business development and how best to quantify the success of the program. Perhaps one of the most important things learned during the program was how a food accelerator performs differently from technology accelerators. The GFBA was developed using a technology accelerator program framework, which provides intensive assistance to tech businesses, provides funding, and allows the participants to quickly launch and scale. Food businesses are innately different from tech businesses, and the timeline or runway for scaling is much longer. While we have seen substantial progress in many qualitative metrics for our Fellows, most are just starting the actual work of scaling (e.g. finding facilities, closing financing deals, substantially increasing customers, etc). There are a whole set of challenges food businesses face that tech businesses do not struggle with, and we now have a better sense of how long this will take.

Another important change in our perspective is our approach to accelerating established businesses and how an accelerator can help. An example to illustrate this would be a Fellow that was accepted to the GFBA program in year 1 to start a local, organic meat processing facility. After a deep dive into their business documents, it became clear that the core business was in need of assistance before it could begin work on the processing facility. This type of pivot was an important moment that wasn't an expected result, but several of the Fellows experienced substantive changes in what component of their business was best suited for scaling. The ability to pivot was also extremely helpful for the GFBA itself, as during the program it became clear different processes were not working. One example was a project management program we tried to implement for the Fellows that ended up causing frustration. We switched to a more basic weekly personal check-in process that accomplished the same goals, while also building personal rapport with the Fellows.

- i. If goals or outcome measures were not achieved, identify and share the lessons learned to help others expedite problem-solving: The program struggled with how to track and evaluate indirect job creation. The Good Food Business Accelerator is a non-profit providing services to our participating businesses, and our work helps those businesses grow and increase their FTEs. We recorded their FTEs under the direct jobs created and did not record any GFBA employee hours in these totals. For a framework such as ours, collecting indirect jobs was close to impossible, and we focused our time on direct job creation instead.
- ii. Describe any lessons learned in the administration of the project that might be helpful for others who would want to implement a similar project: It is vital to the success of a new program like ours to create a program framework that can respond to feedback and be flexible. We experienced several moments during that program where we needed to change our processes and adapt to the needs of the participants. Whether it's accommodating different work styles or providing a more custom experience, continual process improvement is essential.

10. Future Work:

- a. How will you continue the work of this project beyond the performance period? In other words, how will you parlay the results of your project's work to benefit future community goals and initiatives? Include information about community impact and outreach, anticipated increases in markets and/or sales, estimated number of jobs retained/created, and any other information you'd like to share about the future of your project.

With a successful year completed that includes tangible and proven results, it becomes easier for the program to grow. From the preliminary results we collected in the spring, we were able to attract additional funding to continue the project for a second year, and we anticipate additional awards over the coming months. In addition to creating a financially sustainable project, the results have allowed us to attract stronger Fellow candidates with a great potential to grow into regional businesses that impact their communities.

- b. Do you have any recommendations for future activities and, if applicable, an outline of next steps or additional research that might advance the project goals? We continually update our strategy and work plans to reflect lessons learned and feedback obtained. We are poised for an even more successful year ahead, thanks in great part to our USDA LFPP partnership this past year. Thank you for your partnership.